## **Abstract**

An encoder is provided with an additional coding feature that comprises a time-related term added to a traditional cost function that uses only distortion and byte usage for calculating cost. The time-related term comprises the time that a real decoder needs for decoding a block, and a coefficient. The use of the time-related term will often result in a decision to select a compression mode that is faster to decode than a mode obtained with the traditional cost function. Preferably each receiving terminal belongs to a certain capacity group having specific additional coding features. A single original video is encoded individually for each capacity group according to the additional features of the capacity group in question. The individual encoding relating to each group guarantees that decoding times of frames absolutely or in average remain below the time that real receiving terminals need for decoding encoded frames.